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RUEHLM/AMEMBASSY COLOMBO 7447
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C O N F I D E N T I A L SECTION 01 OF 02 DHAKA 003053

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TAGS: [PGOV](#) [PREL](#) [ASEC](#) [BG](#)
SUBJECT: RUMORS SWIRL AS DHAKA RETURNS TO NORMAL

REF: DHAKA 2002

Classified By: P/E Counselor D.C. McCullough, reason para 1.4 d.

¶1. (SBU) Summary. Dhaka returned to normal on May 24, with only scattered processions after yesterday's rash of attacks on as many as 300 garment factories. An unclear mix of garment workers and others participated in the violence that injured approximately 100 persons, few if any seriously. The ruling BNP blamed the Awami League and India, while Sheikh Hasina blamed the BNP. Speculation, false rumors of President Ahmed's death, and conspiracy theories are rampant.
End Summary.

¶2. (SBU) According to the Bangladesh Manufacturers and Exporters Association (BGMEA), press, and other reports, mobs on May 23 attacked about 300 garment factories and caused the taka equivalent of nearly USD 60 million in damages. Some demonstrators arrived at attack sites in trucks or buses, and media pictures showed groups in similar attire joining mobs. On May 24, Dhaka was largely back to normal, with regular traffic flows and business activity. Unlike yesterday, police today acted quickly and dispersed easily several tentative processions. Paramilitary Bangladesh Rifles (BDR) units were still patrolling thoroughfares in several industrial suburbs, but there were no other unusual security force deployments.

Reaction

¶3. (SBU) Bangladeshis condemned the violence as a major blow to the country's critical export garment industry and its international reputation, but the consensus stopped there.

¶4. (SBU) BNP SYG Manan Bhuiyan told reporters that local and foreign conspiracies seeking to create social havoc might have triggered the violence, and urged all political parties to unite to confront this threat. BNP Senior Joint Secretary Tariq Rahman told a rally of party activists that "a certain quarter" has been fomenting anarchy since the BNP came to power in 2001, and that "a particular political party" was responsible for attacking the garment factories. BNP student and youth front leaders declared that with the wave of Tariq's hand, the homes of all AL leaders would be destroyed. Senior BDG officials tried to minimize the role of genuine garment workers in the riots, noting that the demonstrators were almost exclusively male while about 85 percent of RMG workers are female. They also wondered why factories not involved in a payment dispute or with a good reputation were also targeted. One BNP leader claimed to us that AL's labor front was active in the attacks, much to the dismay of pro-AL

factory owners.

15. (C) Awami League (AL) President Sheikh Hasina pinned the violence on the BDG, which she said wanted to "create anarchy" and "blame it on the Awami League." AL officials attributed this and similar violence to popular frustration with BNP "misrule," and called on the BNP to resign. Privately, AL presidium member Kazi Zafarullah was more circumspect. He didn't know where the demonstrators came from -- they were mostly not garment workers, he told us -- but he dismissed allegations of Indian and AL involvement as reflexive BNP slander.

16. (SBU) Angry BGMEA members and officials accused unnamed foreign competitors of launching the violence, blasted BDG leadership and law enforcement, and called for army deployments. Leaders of 13 trade associations issued a joint statement also asking for army deployment and asserting that the violence stemmed not over worker grievances but a conspiracy to destroy the garment sector. One BGMEA official said several trade union activist were also at the protests encouraging violence.

17. (C) Board of Investment Executive Chairman Mahmahdur Rahman told a public gathering that the violence represented a national intelligence failure comparable to the 2005 Jamaatul Mujahidin Bangladesh bomb blasts. On May 24, he speculated to us that there were numerous factors contributing to the "disaster": high unemployment among unskilled RMG workers, which makes them vulnerable to manipulation; leftists with an anti-private sector agenda; foreign-funded NGOs fueling chaos to get more donor money; and bad management at many factories. He also regretted BDG

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capitulation to anti-privatization campaigners at the Chittagong container port. In addition, while the BDG was caught off guard and slow to react on May 22, the next day was a "real governance failure." The BDG is gripped by timidity, he said, after being rocked by recent demonstrations against power, water, and fuel shortages. Like BGMEA, he blamed much of the damage on late and passive police reaction. To prevent such demonstrations against the energy sector, he has asked the BDG to declare energy installations strategic sites and provide them with extra security.

Rumors of Death

18. (SBU) President Iajuddin Ahmed was admitted to a hospital in Dhaka on May 23 for an unspecified illness. Later that day and on May 24, rumors circulated through business and political circles that Ahmed had died. Aides with him at the hospital, however, told us mid-day May 24 that his condition is stable and slightly improved, and confirmed that he would be flying to Singapore this evening for medical treatment.

19. (SBU) Many of the rumors tied into a conspiracy theory based on the overlap of Ahmed's hospitalization with the May 23 violence. Ahmed, the theory goes, opposed or was otherwise an obstacle to a BNP move to change the chief of army staff or deploy the army for some unclear political objective. Yesterday's violence was supposed to demonstrate a collapse in law and order that only the army, or a state of emergency, could rectify. As proof, they noted police timidity and the fact that there were apparently no arrests during the day -- all atypical police behavior.

Comment

110. (C) The May 23 violence is the latest in a series of often violent challenges to BDG authority indicating a long, hot summer ahead. This time, however, the BDG can't win for losing: Home Minister of State Babar, and police sources,

told us firm orders were given for maximum police restraint to avoid a repeat of the fatal shooting of the garment worker in Gazipur that triggered the May 23 rampages; this restraint is now being blamed for fueling the destruction and even cited as evidence that the BDG engineered the violence. For many reasons, from the relatively low casualty levels to the PM's delayed tin cup trip to the UAE to ask for concessional oil sales, a conspiracy here looks extra farfetched but is still indicative of the political culture.

¶11. (C) Business and government leaders want to discount the possibility that labor conditions at garment factories, which run from awful to fair, might have ignited the violence, so political and foreign rivals make easy scapegoats. The reaction of the two political parties is also opportunistic. When yesterday we asked if Sheikh Hasina might issue an appeal for calm, her response, according to an AL presidium member, was to wonder if we were acting for "a particular quarter." Kamal Hussein, the eminent lawyer and former Awami Leaguer whose Gono Forum is part of the AL-led alliance, shared a platform with Hasina yesterday; he told us he was worried that Hasina was clearly "not troubled" by the day's events since they fit into her political framework of "fighting force with force." Public reaction from Tariq Rahman is unusual and shows his growing profile in the run-up to elections; the boast from BNP activists that they are ready to burn down the homes of AL leaders is unusually direct and disturbing.

¶12. (C) At the end of the day, May 23 was another great embarrassment for the BDG. Its silver lining may be that the AL has consistently failed to translate such stumbles into pro-AL traction. Although it cited conflicting nationwide school exams as the reason, the AL has twice deferred, now to June 11, its "siege" of Dhaka program, which suggests it is having trouble organizing the mass influx of activists it wants to immobilize Dhaka and stretch out security forces.
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